Data as of July 2003

# Mental Health and Substance Abuse Services in Medicaid and SCHIP in Vermont

As of July 2003, 142,912 people were covered under Vermont's Medicaid and SCHIP programs. There were 139,818 enrolled in the Medicaid program (including those who qualify only for prescription drug coverage), 3,094 in the separate SCHIP program. Vermont uses an 1115 waiver and a separate SCHIP program to provide coverage to children with incomes from 225% and up to 300% FPL. It also uses traditional Medicaid to fund services to children in mandatory and optional coverage groups below 185% FPL. In FY2003, Vermont spent \$556 million (\$768 million state and federal combined) to provide Medicaid services.

#### 1. Medicaid covers:

- A Children up to age 18 in families with incomes up to 225% FPL; children participating in this program must pay a monthly premium of \$25 per household, if their income is between 185% to 225% FPL;
- B Parents of eligible children and caretaker relatives of eligible children in families with incomes up to 185% FPL;
- C Underinsured children in families with incomes between 225% and 300% FPL (through an 1115 waiver); pay a monthly premium of \$50 per household and; and
- D Pregnant women in families with incomes up to 200% FPL; pay a monthly premium of \$25 per household, if their income is between 185% to 200% FPL.
- 2. A separate SCHIP program covers uninsured children with incomes between 225% and 300% FPL. Families with children participating in this program pay a monthly premium of \$70 per household.

In Vermont, Medicaid and SCHIP beneficiaries may receive their health care through a Primary Care Case Management (PCCM) Program. As of July 2003, 85,205 people were enrolled into the managed care program—82,320 of these were Medicaid beneficiaries and 2,885 were separate SCHIP program participants. Most Medicaid beneficiaries may receive mental health and substance abuse services through either the PCCM or regular Medicaid. The PCCM does not manage mental health and substance abuse benefits for those adults with severe and persistent mental illness (SPMI). Instead, benefits for adults with SPMI are provided under the 1115 VHAP waiver through a managed care arrangement called Community Rehabilitation and Treatment (CRT) Program. In July 2003, 2,868 individuals were enrolled in the CRT Program.

### Medicaid

### Who is Eligible for Medicaid?

### **Families and Children**

- 1. Parents and caretakers of Medicaid-eligible children with incomes of 185% FPL or less.
- 2. Children under age 18 from families 300% FPL or less
- 3. Pregnant women in families with incomes of 200% FPL or less.
- 4. Other special coverage groups, such as, recipients of adoption assistance and foster care under Title IV-E of the Social Security Act

### Aged, Blind, and Disabled

- 1. Individuals receiving SSI or Vermont's supplementary SSI payment.
- 2. Working people with disabilities who must meet the SSI definition of disability and have an income of 250% FPL or less.
- 3. Certain disabled children age 18 or under who are living at home, who would be eligible for Medicaid if they were in an institution;

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4. Individuals who are in institutions for at least 30 consecutive days with income no more than 300% of the maximum SSI benefit, with resources below the applicable standard

### **Medically Needy**

Members of the following groups may qualify for Medicaid coverage as Medically Needy if they have sufficient medical expenses.

- 1. Pregnant women
- 2. Children under age 19
- 3. Parents and caretaker relatives
- 4. Aged, blind, or disabled individuals

#### **Waiver Populations**

Vermont's 1115 waiver also provides pharmacy-only coverage to groups of aged and disabled individuals with income between about 150% and 225% FPL, who are not otherwise eligible for Medicaid. Coverage details listed above under Families and Children are inclusive of those allowed under the 1115 waiver.

### What Mental Health/Substance Abuse Services are Covered by Medicaid?

Medicaid must cover some types of services (mandatory services) and may cover some other types of services (optional services). The information presented here identifies the types of service Vermont Medicaid covers and the coverage requirements for those services. These services are presented grouped as they are in the Medicaid State plan that Vermont must maintain under Medicaid law. Only those types of services that include mental health or substance abuse services are discussed.

### **Mandatory State Plan Services**

Inpatient Hospita	Inpatient Hospital Services		
Service	Description	Coverage Requirements	
Inpatient	Services provided in an acute general hospital     May include up to five hours of diagnostic interviews with immediate family members     May include psychotherapy when provided to inpatients as a component of the plan of treatment.	<ul> <li>Services must be prescribed by a physician</li> <li>Most children are screened by community mental health centers prior to emergency inpatient psychiatric hospitalization admission.</li> <li>Adults in the Community Rehabilitation &amp; Treatment Program (SPMI carve-out) are approved by Community Mental Health Centers.</li> <li>Only acute mental health and substance abuse services are covered in a general hospital.</li> </ul>	

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Outpatient Hospital In	Outpatient Hospital Including Rural Health Center and Federally Qualified Health Center Services		
Service	Description	Coverage Requirements	
Outpatient	Substance abuse and mental health services, including partial hospitalization services, that would be covered if provided in another setting may be provided by an outpatient hospital clinic.	<ul> <li>Services must be physician or psychologist directed</li> <li>Beneficiaries may receive mental health and substance abuse services from an outpatient hospital, but the services are limited to the same extent as physician services, therapy, and other services as specified in the remainder of this document.</li> <li>Beneficiaries may receive no more than 5 visits/month from a outpatient clinic (for any services including mental health and substance abuse services), without prior authorization from the Medicaid agency</li> </ul>	
Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs)	FQHCs and RHCs may provide the same mental health and substance abuse services as any other provider as long as the personnel providing the service meet the same qualifications as other providers.	<ul> <li>Services must be physician or psychologist directed.</li> <li>Beneficiaries may receive mental health and substance abuse services from an FQHC or RHC, but the services are limited to the same extent as physician services, therapy, and other services as specified in the remainder of this document.</li> <li>Beneficiaries may receive no more than 5 visits/month from an FQHC or RHC (for any services including mental health and substance abuse services), without prior authorization from the Medicaid agency</li> </ul>	

Physician Services		
Service	Description	Coverage Requirements
Physician Services	<ul> <li>Physicians may provide substance abuse and psychotherapy services as described under "Rehabilitative Services".</li> <li>Psychiatric services are covered as physician's services for treatment of mental, psychoneurotic, or personality disorders,</li> </ul>	<ul> <li>The service must be within the scope of the practice of medicine, as defined by state law.</li> <li>Beneficiaries may receive mental health and substance abuse services from a physician, but the services are limited to the same extent as therapy, and other services as specified in the remainder of this document.</li> <li>Beneficiaries may receive no more than 5 visits/ month from a physician (for any services including mental health and substance abuse services), without prior authorization from the Medicaid agency</li> <li>Beneficiaries may receive no more than 16 visits year of psychotherapy services without prior authorization from the Medicaid agency.</li> <li>All partial hospitalization services must be prior authorized by the Medicaid agency.</li> </ul>

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Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services to Children Under 21		
Service	Description	Coverage Requirements
Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Mental Health Services	EPSDT provides for access to services, including mental health and substance abuse services  in amounts greater than that otherwise covered by the Medicaid program  That can be covered under federal Medicaid law, but that Vermont has otherwise chosen not to cover.	<ul> <li>Beneficiaries must be under age 21 to qualify for services.</li> <li>Service must be needed to ameliorate or treat a condition identified in an EPSDT screen.</li> <li>All services beyond that otherwise covered by the Medicaid agency must be prior authorized by the Medicaid agency.</li> </ul>

## **Optional State Plan Services**

Other Licensed Practitioners		
Service	Description	Coverage Requirements
Psychologist Services	Evaluation, diagnostic and treatment services from a licensed psychologist practicing independently	No reimbursement is allowed if the beneficiary is an inpatient or outpatient of a general hospital, resident in a mental hospital or a patient concurrently receiving services at a mental health clinic.

Clinic Services		
Service	Description	Coverage Requirements
Mental Health Clinic Services	Evaluation, diagnostic and treatment services provided in a licensed mental health clinic, including  Psychotherapy Group therapy Day Hospital Chemotherapy (Prescription of psychoactive drugs to favorably influence or prevent mental illness) Emergency Care	<ul> <li>Beneficiaries receiving Community Rehabilitation and Treatment (CRT) services under the 1115 waiver are ineligible for these State Plan services</li> <li>Services may only be provided as specified in an individual treatment plan developed and directed by a physician, or formulated with physician participation.</li> <li>Psychotherapy, group therapy, chemotherapy may be provided in any setting except skilled nursing or intermediate care facilities or the facilities at the Vermont State Hospital or the Brandon Training School.</li> <li>Day Hospital services may only be provided as an alternative to inpatient care for beneficiaries with mental illness of an acute and/or episodic nature.</li> <li>Emergency services may only be provided to resolve or stabilize the immediate crisis through direct treatment, support services to significant others, or arrangement of other more appropriate resources.</li> </ul>

Inpatient Psychiatric Services (for persons under the age of 21)		
Service	Description	Coverage Requirements
Inpatient psychiatric	May include up to five hours of	Beneficiary must be under age 21 at

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facility services for individuals under 22 years of age	diagnostic interviews with immediate family members  May include psychotherapy when provided to inpatients as a component of the plan of treatment.  Services may include:	<ul> <li>admission.</li> <li>Services must be prescribed by a physician</li> <li>An interdisciplinary team must certify that the beneficiary cannot be effectively treated in the community</li> <li>Inpatient psychiatric services must be part of an active plan of treatment, which is reviewed at least every 30 days.</li> <li>A physician must make recertification of the need for inpatient care at least every 60 days.</li> <li>All admissions to psychiatric hospitals must be prior authorized by an</li> </ul>
		external review organization.

Service	Description	Coverage Requirements
Substance Abuse Services	Detoxification and rehabilitation services, including opioid treatment such as LAAM.	Residential services may only be provided in a residential treatment facility approved by the Vermont Office of Alcohol and Drug Abuse Programs.     Services may only be provided by a physician, psychologist or substance abuse counselor     Beneficiaries who are residents may receive no more than 90 hours per episode of counseling without prior authorization from the Medicaid agency -
Community Mental Health Center Services	Rehabilitation services provided by qualified professional staff in a community mental health center designated by the Department of Developmental and Mental Health Services, including  • Emergency care  • Diagnosis And Evaluation  • Psychotherapy  • Group Therapy  • Chemotherapy  • Specialized Rehabilitative Services, Including  - Basic Living Skills  - Counseling  - Collateral Contact	<ul> <li>Beneficiaries receiving Community Rehabilitation and Treatment (CRT) services under the 1115 waiver are ineligible for these services</li> <li>Services may only be provided as specified in an individual treatment plan developed and directed by a licensed physician or licensed psychologist.</li> </ul>
School health services	Services provided by a school or local education agency, including those needed to assess and treat mental health conditions	Services must be ordered by an Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP) for special education students as defined under Pat R or Part C of the individuals with Disabilities Education Act (IDEA)
Child Sexual Abuse and Juvenile Sex Offender Treatment	Individual, group and client- centered family counseling; care coordination; and clinical review	To qualify for services beneficiaries must be children who have been sexually abused or whare sexual offenders.

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Rehabilitative Services		
Service	Description	Coverage Requirements
Services	and consultation services	All services must be authorized by the Department of Social and Rehabilitation Services
Intensive Family Based Services	Family-focused, in-home treatment services for children that include crisis intervention, individual and family counseling, basic living skills and care coordination.	All services must be authorized by the Department of Social and Rehabilitation Services or the Department of Developmental & Mental Health Services.

Targeted Case Manag	Targeted Case Management		
Service	Description	Coverage Requirements	
Targeted Case Management (TCM)	Services are those services and activities that help Medicaid beneficiaries, and sometimes their families, to identify their needs and manage, and gain access to necessary medical, social, rehabilitative, vocational, educational, and other services.      Specific services include     assessment of individuals, development of case plans,     ongoing monitoring and follow-up services, and     discharge planning.	<ul> <li>Individuals receiving TCM services must be<sup>1</sup> <ul> <li>Chronically mentally ill.</li> <li>Severely emotionally disturbed and under age 21</li> <li>Children up to age 5 who are at-risk for unnecessary and avoidable medical intervention</li> </ul> </li> <li>Pregnant or post partum woman with children less than 1 year old.</li> <li>18- 24 year old exited high school with a job qualify according to Federal Rehabilitation Act</li> <li>Beneficiaries receiving Community Rehabilitation and Treatment (CRT) services under the 1115 waiver are ineligible for this State Plan</li> </ul>	

Home and Community Based Services Waiver		
Service	Description	Coverage Requirements
HCBS Services for children under 22 with a mental illness.	Services include:	To qualify for services children must be under 22 and have a mental illness requiring in-home services.

### **SCHIP Medicaid Expansion Program**

# Vermont does not operate an SCHIP Medicaid Expansion Program

### **Separate SCHIP Program**

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A separate SCHIP program covers uninsured children with incomes between 225% and 300% FPL. Families with children participating in this program must pay a monthly premium of \$70 per household

# What Mental Health/Substance Abuse Services are Covered by the Separate SCHIP Program?

While the Vermont SCHIP Program is technically a separate program, it operates as a look-a-like and the services are the same as those in Medicaid described above.